



Entered on Docket
October 26, 2010

Hon. Bruce A. Markell
United States Bankruptcy Judge

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UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re

FX LUXURY LAS VEGAS I, LLC,
a Nevada limited liability company,

Debtor.

Case No. BK-10-17015-BAM

Chapter 11

**SECOND STIPULATION AND ORDER
FOR CONTINUING RELIEF GRANTED
UNDER SECOND AMENDED INTERIM
ORDER PURSUANT TO 11 U.S.C. §§ 105,
361, 362 AND 363 AND FED. R. BANKR.
P. 2002, 4001 AND 9014 (I)
AUTHORIZING THE DEBTOR TO USE
CASH COLLATERAL, AND (II)
GRANTING ADEQUATE PROTECTION**

Upon the consent of FX Luxury Las Vegas I, LLC, a Nevada limited liability company, ("Debtor"), the debtor and debtor-in-possession in the above captioned chapter 11 case, Landesbank Baden-Württemberg, New York Branch, as successor administrative and collateral agent ("First Lien

1 Agent”), on behalf of the first lien lenders; and NexBank, SSB, as successor administrative and
 2 collateral agent (“Second Lien Agent”), on behalf of the second lien lenders hereby enter this Second
 3 Stipulation And Order For Continuing Relief Granted Under Second Amended Interim Order Pursuant
 4 To 11 U.S.C. §§ 105, 361, 362 and 363 and Fed. R. Bankr. P. 2002, 4001 and 9014 (I) Authorizing The
 5 Debtor To Use Cash Collateral, and (II) Granting Adequate Protection (“Stipulation”) and hereby agree
 6 as follows:¹

7 **IT IS HEREBY STIPULATED BY THE UNDERSIGNED PARTIES THAT** Debtor may
 8 have further continued relief and use of Cash Collateral through November 23, 2010, as set forth in the
 9 Second Amended Interim Order Pursuant to 11 U.S.C. §§ 105, 361, 362, and 363 and Fed. R. Bankr. P.
 10 2002, 4001 and 9014 (I) Authorizing the Debtor to Use Cash Collateral and (II) Granting Adequate
 11 Protection entered by the Court on August 23, 2010 [Docket No. 519] (as amended, modified or
 12 supplemented or as may be further amended, modified or supplemented (the “Second Amended Interim
 13 Cash Collateral Order”), pursuant to the budget attached thereto as Exhibit 1, as modified by the budget
 14 attached hereto as Exhibit A, subject to the following modifications:

15 1. The budget attached as Exhibit 1 to the Second Amended Interim Cash Collateral Order
 16 shall be, and is hereby, modified to include the budget attached hereto as Exhibit A, which taken
 17 together shall constitute the “Budget,” as referred to in the Second Amended Interim Cash Collateral
 18 Order.

19 2. Debtor’s authority to use Cash Collateral shall continue after October 21, 2010, and shall
 20 terminate on November 23, 2010, unless continued by consent of Debtor, First Lien Agent, and Second
 21 Lien Agent, or by order of the Court. The Second Amended Interim Cash Collateral Order shall be, and
 22 is hereby, modified to provide that the Debtor is authorized to use Cash Collateral through the date of
 23 November 23, 2010, in accordance with, and subject to the terms and conditions of, the Second
 24 Amended Interim Cash Collateral Order, as modified as set forth herein.

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27 1 Capitalized terms used, but not defined herein shall have the meanings ascribed to such terms in
 28 the Second Amended Interim Cash Collateral Order, or the Plan (as applicable).

1 3. Except as expressly modified as set forth herein, all of the terms and provisions of the
 2 Second Amended Interim Cash Collateral Order shall be, and do hereby remain, in full force and effect.

3 4. The Debtor reserves its rights to seek non-consensual use of Cash Collateral, and First
 4 Lien Agent and the Second Lien Agent each reserves its rights to object to same.

5 **IT IS HEREBY FURTHER STIPULATED BY THE UNDERSIGNED PARTIES THAT**
 6 Debtor's continued use of Cash Collateral through November 23, 2010, pursuant to the terms of the
 7 Second Amended Interim Cash Collateral Order as modified by this Stipulation, is further subject to the
 8 following terms and conditions:

9 1. Fee Cap.

10 a) As set forth in the Budget, the total amount budgeted for payment of the fees and
 11 costs of all of the Debtor's Professionals (the "Professionals") for the period of July 22, 2010, through
 12 November 23, 2010 (the "Second Fee Cap Period") , shall be \$425,000.00 ("Second Fee Cap") with no
 13 permitted variance, except as otherwise set forth in this Stipulation.² The Second Fee Cap will be
 14 inclusive of unpaid holdbacks for fees and costs for the Second Fee Cap Period.

15 b) The Debtor and the undersigned Professionals agree that the Second Fee Cap
 16 represents not only a limit on use of Cash Collateral but also a limit of administration fees for
 17 Professionals for the Second Fee Cap Period that must be paid to allow confirmation of the Third
 18 Amended Chapter 11 Plan of Reorganization Dated October 12, 2010 [Docket No. 601-1] (as may
 19 hereafter be amended or modified, the "Plan"), filed on October 12, 2010, by the Backstop Investors.
 20 The Debtor and the undersigned Professionals agree that they will not object to the Plan on the basis
 21 that payment to the Professionals of administration fees in excess of the Second Fee Cap, subject to

23 ² The Second Fee Cap and the Second Fee Cap Period shall be deemed to include the period of
 24 November 24, 2010, through the earlier of(i) the Effective Date of the Plan; or (ii) December 15, 2010
 25 ("Extended Second Fee Cap Period"), conditioned upon the order confirming the Plan having been
 26 entered prior to November 22, 2010 (and subject to all other assumptions detailed herein, it being the
 27 intent and understanding of the parties that there will be no further material work required by the Debtor
 28 and its Professionals after confirmation). ***The Second Fee Cap Period shall be extended to the
 Extended Second Fee Cap Period only to the extent that any work requested of the Debtor or
 otherwise reasonably required of the Debtor and/or its Professionals during the Extended Second
 Fee Cap Period shall not exceed 10 hours of Professional time.***

1 increase pursuant to section 2 entitled "Reservation for Unanticipated Matters" set forth in this
 2 Stipulation below, is required to confirm the Plan. The Second Fee Cap shall not limit payment of
 3 unpaid holdbacks or unpaid fees and costs of Professionals for the period April 21, 2010 through July
 4 21, 2010, which are subject only to limitation by the Fee Cap of \$1,250,000 for all fees and costs of
 5 Professionals for the period of April 21, 2010 through July 21, 2010.

6 c) In addition to the foregoing, Fox Rothschild will reduce its fees and costs request
 7 for the month of September 2010 by \$20,000.00 from approximately \$99,805.00 to approximately
 8 \$79,805.00.

9 2. Reservation for Unanticipated Matters. Subject to all of the terms and conditions set
 10 forth in this Stipulation, the Debtor and its Professionals shall not seek allowance of fees and costs for
 11 Professionals for the Second Fee Cap Period, in excess of the Second Fee Cap, subject to their right to
 12 request an increase, to be resolved by the Court if necessary, in the event there is material unanticipated
 13 litigation or other reasonably unanticipated developments in the case that would require additional work
 14 from the Professionals.

15 3. Greenberg Traurig ("GT").

16 a) The allowed fees and costs of GT shall not be paid until the earlier of (i)
 17 December 15, 2010; or (ii) the Effective Date of the Plan.

18 b) GT will not provide any further services or engage in any further work after the
 19 date hereof unless: (i) requested to do so by the First Lien Agent/First Lien Lenders; (ii) such services
 20 are in connection with allowance of their fees and expenses; or (iii) the Debtor asks GT to perform real
 21 estate services after Debtor has a reasonable consultation with First Lien Agent, through respective
 22 counsel, before requesting GT to perform such services.

23 4. Assumptions and Understandings. The agreement of the Debtor and the Professionals
 24 to the Second Fee Cap under the terms and conditions as set forth in this Stipulation is based and
 25 conditioned upon the assumptions and understanding that: (i) the Confirmation Hearing on the Plan
 26 begins on or around November 8, 2010, and will take not more than two Court days; (ii) Confirmation
 27 of the Plan will not be contested, or if contested by another party in interest, will not require the Debtor
 28 and/or the Professionals to take any actions in response to same; (iii) the Professionals' fee applications,

1 to the extent in compliance with the terms of this Stipulation, will not be contested by any, some or all
2 of the First Lien Lenders, First Lien Agent, Second Lien Lenders, Second Lien Agent and Backstop
3 Investors; (iv) Debtor and the Professionals will not be responsible for challenging any administrative,
4 priority or general unsecured claims and their only role shall be to provide information to the Backstop
5 Investors with respect to same; (v) Debtor and the Professionals will not be responsible for any actions
6 or litigation required or desired by First Lien Lenders, First Lien Agent, Second Lien Lenders, Second
7 Lien Agent or Backstop Investors with respect to assuming or rejecting any unexpired leases or
8 executory contracts, disputes over cure amounts, etc, other than to provide the Backstop Investors
9 and/or the reorganized debtor with information from Debtor's books and records; (vi) there will be no
10 material services provided by GT in connection with the real estate transactions to consummate the
11 Plan; (vii) GT's present fee application for \$92,825.00 is covered under the Fee Cap of \$1,250,000.00
12 for the period of April 21, 2010, through July 21, 2010; (viii) a reasonably cost effective negotiation
13 and preparation of a stipulation to extend use of Cash Collateral pursuant to the terms set forth in this
14 Stipulation for which the fees to be incurred should not be substantial; (ix) the Backstop Investors
15 and/or the reorganized debtor will budget and fund payment of the post-Effective Date fees and costs of
16 the Professionals in an amount not more than \$25,000.00; and (x) there will be no material work
17 required by the Debtor and of its Professionals after confirmation of the Plan and that any work
18 requested of or otherwise reasonably required to be performed by the Debtor and/or its Professionals
19 during the Extended Second Fee Cap Period shall not exceed 10 hours of Professional time. The
20 agreement of the First Lien Agent and Second Lien Agent to consent to continued use of Cash
21 Collateral under the terms and conditions set forth in this Stipulation is based and conditioned upon the
22 assumption and understanding that the Debtor and the Professionals will not contest Confirmation of
23 the Plan.

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1 DATED this 26th day of October 2010.

2 Prepared and respectfully submitted by:

3 **FOX ROTHSCHILD LLP**

4 By s/ Hal L. Baume

5 HAL L. BAUME, ESQ.

6 *Admitted Pro Hac Vice*

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16 and

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and

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26 Counsel for NexBank, SSB, Second Lien Agent

27 **ORDER**

28 It is so ORDERED.

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EXHIBIT A

FOX ROTHSCHILD LLP
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Category	Description	Month Day:	July 2010 22nd - 31st	August 2010 1st - 31st	September 2010 1st - 30th	October 2010 1st - 31st	November 2010 1st - 30th	TOTAL
	Total Tenant Revenue	\$ 387,097	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 5,187,097
Commissions	Broker Commissions	\$ 3,226	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 43,226
	Total Commissions	\$ 3,226	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 43,226
Utilities	Water	\$ 2,581	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 34,581
	Gas	\$ 48	\$ 175	\$ 220	\$ 280	\$ 280	\$ 780	\$ 1,503
	Electricity	\$ 9,032	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 121,032
	Sewer	\$ 9,194	\$ -	\$ -	\$ 28,500	\$ -	\$ -	\$ 37,694
	Total Utilities	\$ 20,855	\$ 36,175	\$ 36,220	\$ 64,780	\$ 36,780	\$ 194,810	
Legal Fees	Legal Fees (Ordinary Course Counsel)	\$ 4,839	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 64,839
	Receiver fees ^(A)	\$ 1,613	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 21,613
	Total Legal Fees/Receiver Fees	\$ 6,452	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 86,452
General & Administrative	Bank Charges	\$ 32	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 432
	Miscellaneous Expense	\$ 32	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 432
	Office Expense	\$ 1,935	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 25,935
	Rent - Office	\$ -	\$ 2,210	\$ 2,210	\$ 2,210	\$ 2,210	\$ 2,210	\$ 8,840
	Other	\$ 81	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 1,081
	Postage/Freight/Messenger	\$ 81	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 1,081
	Salary/Wage/Benefits	\$ 14,258	\$ 44,200	\$ 44,200	\$ 44,200	\$ 44,200	\$ 44,200	\$ 191,058
	Telephone	\$ 387	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 5,187
	Total General & Administrative	\$ 16,806	\$ 54,310	\$ 54,310	\$ 54,310	\$ 54,310	\$ 54,310	\$ 234,046
Operating Expenses	Fire Protection	\$ 484	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 6,484
	Janitorial/Porter Services	\$ 8,871	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500	\$ 118,871
	Janitorial Supplies	\$ 1,613	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 21,613
	Landscape Maintenance	\$ 1,613	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 21,613
	Landscape Repair	\$ 161	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 2,161
	Landscape Supplies	\$ 161	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 2,161
	Elevator/Escalator	\$ 806	\$ 10,721	\$ 2,500	\$ 2,500	\$ 2,500	\$ 10,721	\$ 27,248
	Entertainment	\$ 10,161	\$ 31,500	\$ 31,500	\$ 31,500	\$ 31,500	\$ 31,500	\$ 136,161
	Pest Control	\$ 145	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 1,945
	Rental Modulars	\$ 3,283	\$ 10,176	\$ 10,176	\$ 10,176	\$ 10,176	\$ 10,176	\$ 43,987
	Repairs & Maintenance	\$ 11,290	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 151,290
	Security	\$ 20,968	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 280,968
	Signage	\$ 4,758	\$ 14,750	\$ 14,750	\$ 2,500	\$ 2,500	\$ 2,500	\$ 39,258
	Trash Removal	\$ 7,742	\$ 5,000	\$ 5,000	\$ 25,000	\$ 5,000	\$ 5,000	\$ 47,742
	Total Operating Expenses	\$ 72,057	\$ 212,597	\$ 204,376	\$ 212,126	\$ 200,347	\$ 901,503	
Professional Fees / Other	Consulting Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Accounting Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Licenses & Permits	\$ 2,419	\$ 500	\$ 500	\$ 7,500	\$ 500	\$ 500	\$ 11,419
	Total Professional Fees/Other	\$ 2,419	\$ 500	\$ 500	\$ 7,500	\$ 500	\$ 500	\$ 11,419
Insurance	Liability Insurance	\$ -	\$ 67,500	\$ -	\$ -	\$ -	\$ -	\$ 67,500
	Total Insurance	\$ -	\$ 67,500	\$ -	\$ -	\$ -	\$ -	\$ 67,500
Real Estate Taxes & Assessments	Real Estate Taxes ^(B)	\$ -	\$ 452,000	\$ 452,000	\$ -	\$ -	\$ -	\$ 904,000
	Special Assessment Taxes	\$ -	\$ 12,500	\$ 9,000	\$ -	\$ 9,000	\$ 30,500	
	Total Real Estate Taxes & Assessments	\$ -	\$ 464,500	\$ 461,000	\$ -	\$ 9,000	\$ 934,500	
Property Management	Property Management	\$ 9,145	\$ 28,350	\$ 28,350	\$ 28,350	\$ 28,350	\$ 28,350	\$ 122,545
	Total Property Management	\$ 9,145	\$ 28,350	\$ 28,350	\$ 28,350	\$ 28,350	\$ 28,350	\$ 122,545
Capital Development	Capital / Working Capital	\$ 3,226	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 43,226
	Total Cash Expenses	\$ 134,186	\$ 903,932	\$ 824,756	\$ 407,066	\$ 369,287	\$ 1,038,118	
Totals	Revenue (from line 6)	\$ 387,097	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 5,187,097
	Tenant Operating, G&A, and Other Expenses (from line 56)	\$ 134,186	\$ 903,932	\$ 824,756	\$ 407,066	\$ 369,287	\$ 2,639,227	
	Net Operating Cash	\$ 252,911	\$ 296,068	\$ 375,244	\$ 792,934	\$ 830,713	\$ 2,547,870	
BK Expenses	Utility Deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Trustee Fees	\$ 10,400	\$ -	\$ -	\$ 10,400	\$ -	\$ -	\$ 20,800
	Lender BK Expenses	\$ -	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 500,000
	Borrower BKExpense ^(D)	\$ -	\$ 80,000	\$ 100,000	\$ 80,000	\$ 125,000	\$ -	\$ 385,000
	General Administrative Expense ^{(C) (D)}	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ 40,000
	Sales Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total BK Expenses	\$ 10,400	\$ 205,000	\$ 245,000	\$ 235,400	\$ 250,000	\$ 945,800	
	Total Operating Cash Net of BK Expenses	\$ 242,511	\$ 91,068	\$ 130,244	\$ 557,534	\$ 580,713	\$ 1,602,070	

Footnote (A) Receiver fees are budgeted through November. The October payment exceeds the existing CAP of \$30,000, so the payment of the October and November installment is contingent on requisite approval of budget

Footnote (B) The Real Estate Tax amounts have been revised to reflect the actual property tax statements received in July 2010.

Footnote (C) General and Administrative expense comprises the aggregate amount of \$40,000 for appraisal fees (H. Kent) and consulting fees (Sierra Consulting) with any unused balance remaining after all payments to H. Kent and Sierra Consulting therefrom to be added to the amounts budgeted for Borrower BK Expenses and increase same accordingly.

Footnote (D) The amounts payable in connection with Borrower BK Expenses (Borrower's Professional Fees) and General Administrative Expense (H. Kent and Sierra Consulting fees) for services rendered on and after July 22, 2010 shall not be subject to increase as a Permitted Variance. Notwithstanding the sums set forth each month in the Budget, the aggregate sum of \$385,000 for Borrower BK Expenses (Borrower's Professional Fees) and, in addition thereto, the sum of \$40,000 for General Administrative Expense (H. Kent and Sierra Consulting fees) are for the period of 7/22/10 through 11/23/10 for services rendered on and after 7/22/10 through 11/23/10 and shall be funded upon First Lien Agent's receipt of an invoice therefore and paid pursuant to the Interim Compensation Order regardless of when (i) such services were rendered during that time period and (ii) payments are actually authorized by the Court. Any unused balance budgeted in the General and Administrative Expense which remains after all payments to H. Kent and Sierra Consulting therefrom, shall be added to amounts budgeted for Borrower BK Expenses and increase same accordingly.